GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:1357
ANSWERED ON:25.07.2016
Minimum Wages for Contract/Casual Workers
Chowdhary Shri Pankaj;Samal Dr. Kulamani

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a)the number of contract and casual workers working in the Central Government, Public Sector Undertakings during each of the last three years and the current year, separately, State/UT-wise;
(b)whether such contractual and casual workers are being paid the minimum wages at the rates fixed according to the nature of work as provided under the Minimum Wages Act, 1948;
(c)the steps taken by the Government to provide "equal pay for equal work" to such contract and casual workers on the pattern of regular ones;
(d)the mechanism put in place to ensure payment of minimum wages to the contract and casual workers; and
(e)whether the Government proposes to regularise the services of the contract/casual workers and also proposes to amend the Minimum Wages Act, 1948 and the Contract Labour (Regulation and Abolition) Act and if so, the details thereof?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI BANDARU DATTATREYA)
(a): The State-wise number of contract workers working in the Central Government, Public Sector Undertakings in the Central Sphere for the last three years is enclosed as Annexure-A. The data in regard to contract workers engaged in the States other than those in the Central Sphere is not centrally maintained.
The data in respect of casual workers in not centrally maintained.
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(b): Yes, the contractual and casual workers are being paid the minimum wages covered under Scheduled Employment at the rate fixed according to the nature of work as provided under the Minimum Wages Act, 1948. If minimum wages are not paid to the workers claim applications are filed within the provisions of the Minimum Wages Act before the authority under Minimum Wages Act, 1948.
(c): Contract and Casual workers engaged in Central Government Offices have the protection of minimum wages fixed under the Minimum Wages Act, 1948. For "equal pay for equal work", the provision exists under Rule 25(2)(v)(a) of Contract Labour (Regulation & Abolition) Act, 1970. It stipulates that the contract workers performing the same or similar kind of work as the regular employee of the establishment the wage rates, holidays, hours of work and other conditions of service of the contract workers will be the same as applicable to the regular employee of the establishment performing the same or similar kind of work. In case of any disagreement with regard to the type of work, Deputy Chief Labour Commissioner (Central) is an authority under Rule (2)(v)(a) to decide the matter.
As regards the casual workers, in places where the nature of work entrusted to the casual workers and regular employees is the same, the casual workers is to be paid at the rate of 1/30th of the pay at the minimum of the relevant pay scale plus dearness allowance for work of 8 hours a day. In cases where the work done by a casual worker is different from the work done by a regular employee, the casual worker is to be paid only the minimum wages notified by the Central Government or the State Government/Union Territory Administration, whichever is higher, as per the Minimum Wages Act, 1948. However, if a Department was already paying daily wages at a higher rate as on 7th June, 1988, the practice could be continued with the approval of its Financial Advisor.
(d): A well-established Central Industrial Relations Machinery (CIRM) is in place to enforce various labour laws including the Minimum Wages Act, 1948. The country-wide CIRM network of Dy. Chief Labour Commissioners and Regional Labour Commissioners under the control of Chief Labour Commissioner (Central) is mandated to settle the complaints/claims arising out of non-payment or payment of lower wages. Besides, a grievance redressal mechanism exists in the States/UTs in respect of the grievances pertaining to establishment coming under the State Sphere.
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(e): There is no provision of regularization of the services of contract workers under The Contract Labour (Regulation & Abolition) Act, 1970. Contract appointment/outsource of services are governed by the detailed instructions and procedures for this purpose as per basic guidelines contained in Rule 178 to 185 of the General Financial Rules(GFRs), 2005.
Making improvements by way of amendments in the provisions of the Minimum Wages Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970 is a continuous process.

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